

**UNEMPLOYMENT COMPENSATION LAW
AS AMENDED BY MAJOR PROVISIONS OF 2ESB 6097
(CHAPTER __, LAWS OF 2003)**

	BEFORE 2ESB 6097	AS AMENDED BY 2ESB 6097
Liberal Construction	The Employment Security Act is liberally construed.	The direction that the Act be liberally construed is deleted.
Maximum Weekly Benefit Amount (WBA)	The maximum WBA is 70% of the average weekly wage, except that caps on the amount and the growth rate apply from 2002 through 2010.	The maximum WBA is 63% of the state average weekly wage or \$496, whichever is greater.
Maximum Duration	The total amount of benefits payable is the lesser of 30 times the WBA, or 1/3 of base year wages.	The total amount of benefits payable is the lesser of 26 times the WBA, or 1/3 of base year wages.
Individual Weekly Benefit Amount (WBA)	An individual's WBA is 4% of the average of wages in the <u>two quarters</u> of the base year in which wages were highest.	In 2004, an individual's WBA is based on the <u>three quarters</u> of the base year in which wages were highest. In 2005, it is based on <u>total wages</u> in the base year (4-quarter averaging).
H-2A and H-2B Workers	Employment of certain aliens temporarily in the U.S. to work is not "covered employment."	Employment of workers in the H-2A and H-2B programs also is not "covered employment."
Part-Time Workers	Individuals must be able, available, and actively seeking "suitable work" (usually full-time work).	For certain part-time workers, "suitable work" includes work for 17 or fewer hours per week.
Voluntary Quits	An individual is not disqualified if he or she quits for "good cause" (e.g., illness or disability, relocating for a spouse's mandatory transfer, domestic violence, and other work-related factors determined by the Commissioner).	"Good cause" is limited to reasons specified in statute, and does not include other work-related factors determined by the Commissioner.
Misconduct	"Misconduct" is defined, and an individual discharged for misconduct is disqualified until he or she requalifies. An individual discharged for a felony or gross misdemeanor loses his or her wage credits from that employment.	"Misconduct" is redefined, and "gross misconduct" is defined. Misconduct-related requalification requirements are increased, and gross misconduct-related penalties are established.
Tax Array	A tax array with 20 rate classes applies. An employer's tax rate is based on its placement, in order of benefit ratios and relative to other employers, in the array. Tax rates are capped at 5.4%.	In 2005, a new tax array with 40 rate classes applies. Tax rates are capped at 6.0% for certain seasonal industries (fishing, agriculture, and food processing), and at 6.5% for other industries, except when a solvency surcharge applies.
Experience Rating	Benefits are charged pro rata to the experience rating accounts of base year employers. Benefits paid to claimants that are marginally attached to the labor force (MLFA) are not charged.	Benefits paid to claimants who leave work voluntarily for work-related factors are charged only to the separating employer's account. Benefits paid to MLFA claimants are charged.
Employer Penalties	The penalty for delinquent quarterly tax reports is a minimum of \$10 per violation plus a percent of the amount that is delinquent for the first, second, and third month of delinquency.	The penalty for delinquent quarterly reports is increased to \$250 or 10% of the contributions, whichever is less. A penalty for certain employer misrepresentations is established.

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